

FINANCE COMMITTEE

11-039-O

ORDINANCE NO. _____

AN ORDINANCE CREATING THE PARKS FUND, AMENDING CHAPTER 20 OF THE DULUTH CITY CODE, 1959, AS AMENDED, LEVYING A TAX AS PROVIDED FOR IN LAWS OF MINNESOTA, 1953, CHAPTER 560, SECTION 1, TO FUND IT AND SETTING FORTH THE PROCESS APPLICABLE THERETO, SUBJECT TO REFERENDUM.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Chapter 20 of the Duluth City Code, 1959 as amended, is hereby amended by adding a new Division 9 which reads as follows:

Division 9. Parks Fund.

Sec. 20-29. Parks fund created.

There is hereby established in the treasury of the city of Duluth a special fund designated as the parks fund for the purpose of providing a dedicated funding source for parks and recreation facilities, recreation activities, and implementation of the concepts addressed in the Duluth parks and recreation master plan dated December 2010. Into said fund the following monies shall be appropriated: all proceeds from the operation of various parks and recreation facilities and programs, monies appropriated to it from time to time by the council; gifts and grants from public or private agencies intended or designated to be used for the aforesaid park purposes; and proceeds of any special levy against the referendum market value of real property in the city authorized pursuant to the authority contained in Laws of Minnesota, 1953, Chapter 560, Section 1.

Section 2. That pursuant to the authority contained in Laws of Minnesota, 1953, Chapter 560, Section 1, there is hereby established a special levy against the referendum market value of all real property in the city of Duluth subject to the following:

- (a) The amount of said levy shall be \$2,600,000 per year for each year

commencing with the first tax levy adopted after this ordinance becomes effective;

(b) The proceeds of said levy shall be used for the purpose of providing a dedicated funding source for parks and recreation facilities, recreation activities, and implementation of the concepts addressed in the Duluth Parks and recreation master plan dated December 2010;

(c) Said levy shall be certified to the St. Louis County auditor for collection with other taxes levied against said property and shall be collected by the county auditor in the same manner as other general taxes levied against such property;

(d) The proceeds of said levy shall be allocated and distributed for allowable purposes within the parks fund by the city council in the manner prescribed for other expenditures of city funds;

(e) Any proceeds of said levy determined to have been erroneously paid shall be refunded to the taxpayer who paid them.

Section 3. This ordinance shall not take effect until its passage and publication and until approved by a majority of electors voting in the general election of November 8, 2011. If this ordinance is so approved, it shall become

effective on November 9, 2011. If this ordinance is not so approved, it shall not go into effect and shall be null and void.

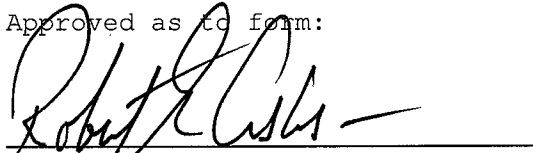
Approved:


Department Director

Approved for presentation to council:


Chief Administrative Officer

Approved as to form:


Attorney

Approved:


Auditor

FIN/ATTY REA:dma 08/24/2011

STATEMENT OF PURPOSE: The purpose of this ordinance is to create a special fund by providing a dedicated funding source for parks and recreation facilities, recreation activities, and for implementation of the concepts addressed in the Duluth Parks and Recreation Master Plan dated December 2010 and to levy a special assessment dedicated to those purposes.

The State legislature authorized the City to have special levies dedicated to particular purposes if they were supported by the voters. This ordinance authorizes the creation of a special fund in the amount of \$2.6 million per year levied against all of the property in the City which could be used only for parks and recreation purposes. The proceeds would be available only for the purpose of providing a dedicated funding source for parks and recreation facilities, recreation activities, and for implementation of the concepts addressed in the Duluth Parks and Recreation Master Plan dated December 2010.

As stated, this authority can only be exercised if the City's voters approve it by referendum this fall. If the voters do not approve it, it will not go into effect.